

SECRET

MEMORANDUM FOR THE AD/SC

28 August 1951

SUBJECT: Project CADUCITY

1. The purpose of this project is twofold: a) to obtain economic data, especially labor statistics, on the DDR; and b) to obtain personality and organizational information on the State Planning Commission (Staatliche Planungs Kommission) of the East German Government (DDR).
2. CADUCITY is a 37-year-old German now employed as chief of the Production Planning Section of the State Planning Commission, which is responsible for economic planning at the highest governmental level. The primary function of the Production Planning Section is to ascertain the production capacity of all industrial units in the Soviet Zone of Germany. The section works closely with the Ministries of Heavy Industry, of Light Industry, and of Heavy Machinery.
3. CADUCITY contacts the case officer by prearrangement at a safe house in Berlin. There are no sub-agents involved. The agent has access to the special agent phone. The case officer represents U.S. intelligence. The agent is motivated largely by financial considerations and to some extent by ideological factors. The agent has signed receipts for money received. Also, his compensation is being deposited and held until termination of his work. Commitments have been made to provide secure travel to West Germany for the agent, his wife and child, to procure a residential permit and a testimonial of service.
4. Project CADUCITY has been in operation since 1 January 1951 on a developmental basis. Since that time, the agent has submitted five reports, all of which have been disseminated. These include a report on DDR over-all production in 1950 and production goals for 1955 and a report on production figures of the five-year plan.
5. The cost of Project CADUCITY for the period ending 30 September 1952 is estimated at \$1,375 (compensation, \$1,125; and operational expenses, \$250). The OSO Budget Officer states that sufficient funds are available.

RECOMMENDATION: Approval is recommended for the period ending 30 September 1952.

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Chief, Plans

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Chief, Operations

Approved: []

W. A. [] AD/SC

17 Sept 1951
Date

- ATTACHMENTS: 1. FIM request for approval of Project CADUCITY
2. Project Outline CADUCITY

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